



energy fuels nuclear, inc.

one labor center • suite 2500
1200 seventeenth street • denver, colorado 80202

(303) 623-8317
twx 910-931-2561
fax 303-595-0930

July 21, 1992

RECEIVED

JUL 27 1992

DIVISION OF
OIL GAS & MINING

Mr. Holland Sheppard
Utah Department of Oil, Gas and Mining
Mined Land Reclamation Program
3 Triad Center, Suite 350
Salt Lake City, Ut 84180-1203

Dear Mr. Sheppard:

Re: Release of Bonds and Cancellation of Mining Permits for
Reclaimed Mines in Utah

As discussed with you in our telephone conversation of July 16, 1992, Energy Fuels Nuclear, Inc. requests the total release of Reclamation Bonds and cancellation of mining permits for the following reclaimed mining properties:

- ✓a) Straight Creek Mine *M/017/018*
- ✓b) Hillside/Maybe/Gizmo/Bears Ears Complex *M/037/015*
- ✓c) Ivy *9/037/034*
- ✓d) Standard Two *5/037/011*

These mines have either been reclaimed for several years (Straight Creek and Hillside) or represent very small disturbances. A copy of a letter verifying release by the BLM is enclosed.

Energy Fuels requests partial release of bonds for the following mines:

- ✓a) Sahara = *M/015/026* *wood mine - M/037/021*
- ✓b) Far West = *M/037/019*
- ✓c) Patti Ann = *M/037/003*

These mines have been fully reclaimed and only a small percentage of the bond should be retained for possible revegetation purposes. Enclosed please find copies of letters from Ms. Vicki Hoffsetz, a member of our staff, which recalculates bond requirements for these mining properties.

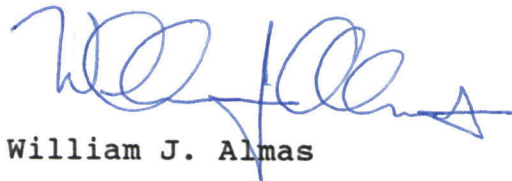
As discussed with you in our conversation of July 16, 1992, the total release of the four mining properties is important to Energy Fuels Nuclear because of upcoming permitting requirements for the enforcement of stormwater runoff regulations associated

Mr. Holland Sheppard
Utah Department of Oil, Gas and Mining
July 21, 1992
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with the Clean Water Act. Total release is needed by September 1, 1992, to avoid permitting of these reclaimed properties through the Clean Water Act. Please take action at your earliest convenience.

Call me at our Denver, Colorado, office if I can provide additional information or can answer any questions.

Very truly yours,



William J. Almas

WJA/ss

Enclosure

cc/enc: Roger B. Smith
Vicki L. Hoffsetz



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Mr. Holland Shepherd
Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple, Suite 350
Salt Lake City, UT 84180-1203

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DIVISION OF
OIL GAS & MINING

Dear Mr. Shepherd:

Re: Bond No.

Far West Mine Site

In accordance with discussions between you and Roger Smith of our Fredonia office, Energy Fuels Nuclear, Inc. hereby requests partial release of the above-referenced \$35,300 Reclamation Bond to reduce the bond to a total amount of \$1,395.00. This reduced bond amount is based on the following calculations, pursuant to your instructions:

Rescarification - 11 hr X \$50/hr	\$ 550.00
Reseeding, labor - 11 hr X \$15/hr	165.00
Material (seed, etc)	530.00
Contingency/Misc (10%)	<u>100.00</u>

Subtotal: \$ 1,345.00

Escalation (3 yrs at 1.27%/yr) 50.00

Reduced Bond Amount: \$ 1,395.00

Current Bond Amount: \$35,300.00

Reduced Bond Amount: - 1,395.00

Total Amount to be Released: \$33,905.00

Therefore, please issue a letter to The North River Insurance Company (address below) releasing \$33,905.00 from the bond.

Your prompt attention to this matter will be appreciated. Please call me if you have any questions.

Very truly yours,

Vicki L. Hoffsetz
Land Records Administrator

/vlh

Mr. Hollard Shepherd
Department of Natural Resources
July 17, 1992
Page 2

cc: Mr. J. D. "Jim" Hamlet
Bond Department
Crum and Forster Commercial Insurance
7500 College Boulevard, Suite 800
Overland Park, Kansas 66210

Mr. Paul W. Smith
Riedman Corporation
822 Lincoln Avenue
Steamboat Springs, CO 80487

Mr. Roger Smith
Energy Fuels Nuclear, Inc.
PO Box 1320
Kanab UT 84741



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Division of Oil, Gas and Mining
355 West North Temple, Suite 350
Salt Lake City, UT 84180-1203

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DIVISION OF
OIL GAS & MINING

Dear Mr. Shepherd:

Re: Bond No. : Patti Ann Mine Site

In accordance with discussions between you and Roger Smith of our Fredonia office, Energy Fuels Nuclear, Inc. hereby requests partial release of the above-referenced \$23,800.00 Reclamation Bond to reduce the bond to a total amount of \$1,060.00. This reduced bond amount is based on the following calculations, pursuant to your instructions:

Rescarification - 8 hr X \$50/hr	\$ 400.00
Reseeding, labor - 8 hr X \$15/hr	120.00
Material (seed, etc)	400.00
Contingency/Misc (10%)	<u>100.00</u>
Subtotal:	\$ 1,020.00
Escalation (3 yrs at 1.27%/yr)	<u>40.00</u>
Reduced Bond Amount:	\$ 1,060.00
Current Bond Amount:	\$23,800.00
Reduced Bond Amount:	<u>- 1,060.00</u>
Total Amount to be Released:	\$22,740.00

Therefore, please issue a letter to The North River Insurance Company (address below) releasing \$22,740.00 from the bond.

Your prompt attention to this matter will be appreciated. Please call me if you have any questions.

Very truly yours,

Vicki L. Hoffsetz
Vicki L. Hoffsetz

Land Records Administrator

/vlh

Mr. Hollard Shepherd
Department of Natural Resources
July 17, 1992
Page 2

cc: Mr. J. D. "Jim" Hamlet
Bond Department
Crum and Forster Commercial Insurance
7500 College Boulevard, Suite 800
Overland Park, Kansas 66210

Mr. Paul W. Smith
Riedman Corporation
822 Lincoln Avenue
Steamboat Springs, CO 80487

Mr. Roger Smith
Energy Fuels Nuclear, Inc.
PO Box 1320
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Mr. Holland Shepherd
Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple, Suite 350
Salt Lake City, UT 84180-1203

Dear Mr. Shepherd:

Re: Bond No. : Sahara Mine Site

In accordance with discussions between you and Roger Smith of our Fredonia office, Energy Fuels Nuclear, Inc. hereby requests partial release of the above-referenced \$35,923.00 Reclamation Bond to reduced the bond to a total amount of \$800.00. This reduced bond amount is based on the following calculations, pursuant to your instructions:

Rescarification - 5 hr X \$50/hr	\$ 250.00
Reseeding, labor - 8 hr X \$15/hr	120.00
Material (seed, etc)	300.00
Contingency/Misc (10%)	<u>100.00</u>
Subtotal:	\$ 770.00
Escalation (3 yrs at 1.27%/yr)	<u>30.00</u>
Reduced Bond Amount:	\$ 800.00
Current Bond Amount:	\$35,923.00
Reduced Bond Amount:	<u>- 800.00</u>
Total Amount to be Released:	\$35,123.00

Therefore, please issue a letter to The North River Insurance Company (address below) releasing \$35,123.00 from the bond.

Your prompt attention to this matter will be appreciated. Please call me if you have any questions.

Very truly yours,

Vicki L. Hoffsetz
Vicki L. Hoffsetz
Land Records Administrator

/vlh

Mr. Hollard Shepherd
Department of Natural Resources
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cc: Mr. J. D. "Jim" Hamlet
Bond Department
Crum and Forster Commercial Insurance
7500 College Boulevard, Suite 800
Overland Park, Kansas 66210

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822 Lincoln Avenue
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Dear Mr. Shepherd:

Re: Bond No. 1: Straight Creek Mine Site

In accordance with discussions between you and Roger Smith of our Fredonia office, and letters (copies enclosed) from Sheldon Wimmer, Area Manager of the Bureau of Land Management, Henry Mountain Resource Area, Energy Fuels Nuclear, Inc. hereby requests full release of the above-referenced bond.

Please address your release letter to The North River Insurance Company at the address below and enclose the original bond.

Your prompt attention to this matter will be appreciated. Please call me if you have any questions.

Very truly yours,

Vicki L. Hoffsett
Land Records Administrator

/vlh

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Bond Department
Crum and Forster Commercial Insurance
7500 College Boulevard, Suite 800
Overland Park, Kansas 66210

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